

## FRAUD DETECTION

### SOLUTIONS FOR THE ONLINE DATING INDUSTRY

2017

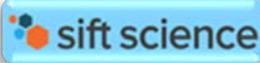
#### INTRODUCTION

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Fraudulent activity continues to be a key concern for online dating companies. Credit card fraud, account takeovers, relationship scams, and other forms of fraud lead to losses in revenue and increased operating costs. User experience and retention also suffers as a result.

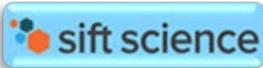
Kount, iovation, Sift Science, and ThreatMetrix are four companies providing fraud detection tools designed to identify and thwart fraudsters before they cause any harm. Each company offers a comprehensive platform of tools and services designed to assist businesses in their fight against fraud.

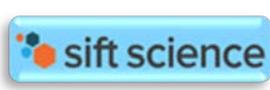
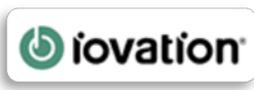
The offerings are divided into two categories; those designed to protect users, and those designed to protect businesses. Each technology, method, and strategy that is offered by the fraud prevention provider is marked by an icon.

				
<b>Website</b>	<a href="http://www.kount.com">www.kount.com</a>	<a href="http://www.iovation.com">www.iovation.com</a>	<a href="http://siftscience.com">siftscience.com</a>	<a href="http://threatmetrix.com">threatmetrix.com</a>
<b>Founded</b>	2008	2004	2011	2005
<b>Pricing</b>	Custom Tiered, Per Transaction	Transaction volume	Pay-as-you-go	Per transaction
<b>Support</b>				
<b>Customer Account Validation</b>				
<b>Multi-Factor Verification</b>				
<b>Geolocation</b>				
<b>Device Fingerprinting</b>				
<b>User Behavior</b>				
<b>Account Takeover Protection</b>				
<b>Relationship Scams</b>				

Safeguarding users from hackers and scammers is a top priority. A comprehensive user protection product should be frictionless and transparent while providing ironclad information assurance.

# PROTECTING COMPANIES FROM FRAUD / TECHNOLOGIES, METHODS & STRATEGIES

				
Artificial Intelligence				
Auto Decisioning				
Biometrics				
Device Fingerprinting				
Fraud Scoring System				
Custom Fraud Rules				
Multi-Tool Fraud Platform				
Real-Time Analytics				
Fraud Workflow Management				
Agent Management				
Manual Review Tools				
Business Intelligence				
Address Verification				



Postal Address Validation



Email Verification



Phone Number Verification



Payer Authentication



Two-Factor Phone Auth.



Card Verification Value (CVV)



Proxy Detection



Order Linking



Shopping Cart Data



Geographic Indicators/Maps



Velocity Limits



Customer Lists



Secure Mobile Payments



Bank Information



Affiliate Monitoring



Third Party Services



## EXECUTIVE SUMMARY

A full-spectrum fraud protection strategy is the result of an active partnership between business and the service provider. Every organization has unique circumstances and requirements, highlighting the importance of a flexible platform with customizable rules and scoring systems.

The primary detection and mitigation technologies are ubiquitous among fraud prevention service providers. However, each has developed patented and proprietary systems with specific capabilities and efficiencies. Many of these technologies are augmented or enabled by Artificial Intelligence systems which leverage Machine Learning capabilities to improve detection rates and reduce false positives.

The Online Dating industry has been a prime target for many forms of fraudulent activity, relationship scams, and stolen credit card testing. Email, phone number, and address verification services can be an effective tool in combating many types of these scams. Payer authentication is a modern security protocol created by Visa and Mastercard to verify cardholder identity and curtail unauthorized charges.

Partnering with a dedicated fraud prevention service provider can yield substantial benefits. Protecting customer accounts and thwarting scammers has the potential to greatly improve user experience, satisfaction, and retention. Detecting and preventing fraudulent activity will help limit revenue losses, reduce chargebacks, lower payment processing fees, and decrease operating costs.

### Disclosure

Courtland Brooks was engaged by Kount to perform this comparative analysis. Data for Kount, iovation, and Sift Science was provided by representatives from each company. Data for ThreatMetrix was acquired through materials published on the official company website.